

Listing of the Claims

Claims 1-14 (Cancelled).

15. (Currently Amended) A method for exchanging payments, comprising the
5 steps of:

representing an amount of a consumable item in a consumable article as
currency in a memory device;

expending a portion of the currency as a royalty to create privileged
content;

10 preventing the use of a portion of the consumable item by a valve in
proportion to the amount of the expended portion of currency, thereby creating a
collateral security as an encumbrance on the portion of the consumable item;

contacting a clearing house over a network to make a payment
representing the expended portion of currency; and

15 after payment, releasing the encumbrance and thereby allowing the use of
the portion of the consumable item by the valve.

Claims 16-19 (Cancelled).

20 20. (Previously Presented) A method of exchanging payments, comprising the
steps of:

purchasing a consumable article having a consumable item therein
configured to allow recreation of royalty based content;

creating a digital cash account for the consumable item having an amount
25 proportionally related to the amount of the consumable item;

acquiring a first royalty based content that indicates an owner of the
content and the amount of a debit charge for using the content;

expending a portion of the consumable item with the consumable article
wherein the use of the consumable item to recreate the royalty based content
30 incurs the debit charge;

reducing the amount of the digital cash account over a network by the
amount of the debit charge incurred;

preventing the use of the consumable item by a valve in proportion to the reduced amount of the digital cash account of the consumable item, thereby bartering a portion of the consumable item for the use of the content; and updating a digital cash account over a network for the owner of the royalty based content by the amount reduced from the digital cash account for the consumable item.

Claim 21 (Cancelled).

10 22. (Currently Amended) An apparatus including a consumable item using configured to use the method of claim 15 to exchange payments.

Claim 23 (Cancelled).

15 24. (Currently Amended) An apparatus including a consumable item using configured to use the method of claim 20 to exchange payments.